

m/047/010

From: Wayne Hedberg
To: Doug Jensen
Date: 7/19/01 2:28PM
Subject: American Gilsonite - Bonanza Project (escape shaft plugging amendment)

I spoke with Lee Jenkins this afternoon regarding his inquiry on status of our review of his permit amendment to plug 3 escape shafts with foam. After discussions with Tony Gallegos and Doug Jensen this morning, it was decided that we were comfortable allowing them to utilize the proposed plugging procedure according to their latest design plan. However, I did express our concern, not having much 1st hand experience of historical data to use as background to confirm the long-term stability of this material.

I told Mr. Jenkins we would allow them to use this as a test case, so to speak, that we would want monitored for a period of time (years) before we would consider allowing its use as a substitute for the more conventional shaft closure designs presently approved in their mine plan. He said he understood and was comfortable with this position. I said he had our verbal AOK to proceed according to their latest design plan, but it would probably be another 7 - 10 days before we could get a formal approval letter out to him, given our present work loads, permitting priorities, field schedules, etc.

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CC: Anthony Gallegos